

1st Quarter Budget Variations 2015/16

Municipal Budget Summary for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
Income	103,926	104,456	-437	104,019	76,551	74%	1
Expenses	-102,073	-102,762	171	-102,591	-25,133	24%	2
Operating Result (Income Statement)	1,853	1,694	-267	1,427	51,418		
Adjust non cash items:							
Add back depreciation	21,146	21,146	-	21,146	5,286	25%	
Other non cash items	-	-	-	-	-		
Funds from operations	22,999	22,840	-267	22,573	56,704		
Sale of assets	1,053	1,053		1,053	52	5%	
Purchases of assets	-26,046	-36,687	-796	-37,483	-4,458	12%	3
Funds from investing	-24,993	-35,634	-796	-36,430	-4,406		
Loans raised	-	-	-	-	-		
Loans repaid	-318	-318	-	-318	-	0%	
Funds from financing	-318	-318	-	-318	-		
Transfers from (-to) specific reserves	2,312	13,112	1,162	14,274	-826		4
Net increase (-decrease) in General funds	-	-	99	99	51,473		5

Notes on recommended variations:

1. Decrease in income relates to new arrangements for DEC - decrease in grant income handled by Council \$591K.
2. Decrease in the above grant disbursement budget (DEC), savings on insurance premiums all partially offset by other requests for increased expenses such as Faces in Spaces Grants and tree establishment program funded from unspent grants.
3. Additional capital expenditure requests such as; Sunset Park Sea Wall funded (Reserve funded), replacement of air con pipes at Westlane Car Park (Reserve funded) and NTG grant funded capital expenditure to improve Bike Paths.
4. Additional transfers from reserves includes; above tree establishment, sea wall and aircon capital expenditures and tree establishment.
5. The net increase in General Funds relates to savings in insurance premiums offset by additional postal charges expected. Other variations are accompanied by funding sources.

Costs of Services for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
Chief Executive Officer							Attachment B-1
Income							
Climate Change	50	50	-	50	4	8%	
Strategy & Outcomes	15	15	-	15	-	0%	
Total income	65	65	-	65	4	6%	
Expense							
Office of the Chief Executive	756	756	-	756	172	23%	
Climate Change	347	347	-	347	96	28%	
Communications & Engagement	939	947	-	947	139	15%	
Governance	1,500	1,500	-	1,500	414	28%	
Strategy & Outcomes	361	376	-	376	107	29%	
Total expense	3,903	3,927	-	3,927	928	24%	
Net surplus (-cost)	-3,839	-3,862	-	-3,862	-924	24%	
Note on recommended variations:							
A variation for by elections will be submitted to the 2nd quarter budget review.							

Costs of Services for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
<u>Community & Cultural</u>							Attachment B-2
Income							
General Manager Community	-	-	-	-	22	1000%	
Customer Services	35	35	-30	5	-	0%	1
Darwin Safer City	-	-	152	152	77	51%	2
Family & Children	159	159	-	159	59	37%	
Libraries	1,519	1,519	-	1,519	13	1%	
Major Community Events	35	35	-	35	-	0%	
Recreation & Leisure	705	705	-	705	132	19%	
Total income	2,453	2,453	122	2,575	303	12%	
Expense							
General Manager Community	541	659	-	659	176	27%	
Community Development	917	917	175	1,092	343	31%	3
Customer Services	562	581	-30	551	145	26%	1
Darwin Safer City	544	559	2	561	83	15%	2
Family & Children	378	384	-39	346	77	22%	4
Libraries	3,553	3,553	-	3,553	784	22%	
Major Community Events	455	471	-	471	61	13%	
Recreation & Leisure	1,829	1,829	-	1,829	433	24%	
Sister Cities	176	206	-	206	27	13%	
Youth Services	476	476	-	476	108	23%	
Total expense	9,430	9,634	108	9,743	2,238	23%	
Net surplus (-cost)	-6,977	-7,181	14	-7,167	-1,935	27%	

Notes on recommended variations:

1. Reduction in banner income to reflect amended accounting treatment of banner income and expense (see also note 4).
2. Additional Commonwealth grant funding (\$150K - Faces in Spaces) plus contributions by Coles and Woolworths to promotional material (Liquor Accord).
3. Additional expense budget for public art audit and public art reserve site selection transferred from capital expenditure plan.
4. Transfer expense budget for cleaning/maintenance Community Centre to responsibility of Infrastructure Section.

Costs of Services for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
Corporate Services							Attachment B-3
Income							
General Manager Corporate	6	6	-	6	2	29%	
Darwin Entertainment Centre	721	721	-721	-	-	1000%	1
Employee Relations	105	105	-	105	25	24%	
Finance Management	490	490	-	490	72	15%	
Fleet Management	73	73	28	101	85	85%	2
Information Technology	53	53	-	53	20	38%	
On & Off Street Parking	5,767	5,767	-480	5,286	1,901	36%	3
Property Management	1,458	1,458	41	1,499	592	39%	4
Records & Information Management	0	0	-	0	0	60%	
Regulatory & Animal Management	3,229	3,229	-	3,229	900	28%	
Total income	11,901	11,901	-1,132	10,769	3,596	33%	
Expense							
General Manager Corporate	514	514	-	514	137	27%	
Business Services	181	181	-	181	116	64%	
Contract Administration	883	883	-	883	221	25%	
Darwin Entertainment Centre	1,616	1,616	-721	895	328	37%	1
Employee Overheads (net)	172	172	-	172	-9	-5%	
Employee Relations	1,803	1,939	-	1,939	367	19%	
Finance Management	3,047	3,065	6	3,071	670	22%	5
Fleet Management (net of internal charges/hire) *	-1,742	-1,742	22	-1,720	-522	30%	2
Information Technology	2,702	2,702	-	2,702	742	27%	
On & Off Street Parking	4,503	4,503	-	4,503	1,095	24%	
Property Management	-	-	38	38	45	119%	4
Records & Information Management	620	620	16	636	148	23%	5
Regulatory & Animal Management	4,342	4,342	-	4,342	901	21%	
Risk Management	1,417	1,422	-120	1,302	748	57%	6
Total expense	20,057	20,216	-758	19,457	4,990	26%	
Net surplus (-cost)	-8,156	-8,315	-374	-8,689	-1,394	16%	

Corporate Services continued - Notes on recommended variations:

1. Reduction in grant income and expense to reflect NTG to pay direct to DEC.
2. Additional income above what was predicted from review of fuel tax rebates.
3. Income downgraded for "On & Off Street Parking" due to lower occupancy rates/trends.
4. Additional income from Casino Carpark lease to fund additional costs related to Sydney Williams Hut, East Point.
5. Increase in expenses due to Australia Post charges.
6. Savings on insurance expenses.

Other Notes

* Fleet Management: The hire rates include an element to recover depreciation expense. Depreciation expense is not shown against individual services at this stage and hence the net credit or negative expense (hire exceeds the direct costs which do not include depreciation).

Costs of Services for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
Infrastructure							Attachment B-4
Income							
Building Services	1	1	-	1	-	0%	
Design, Planning & Projects	-	-	120	120	-	0%	1
Parks & Reserves	192	192	50	242	56	23%	2
Roads Maintenance	1,836	1,836	-58	1,778	1,133	64%	3
Stormwater Drainage	20	20	91	111	111	100%	4
Development	536	536	-	536	141	26%	
Waste Management	20,357	20,357	10	20,367	9,757	48%	5
Total income	22,942	22,942	212	23,154	11,197	48%	
Expense							
General Manager Infrastructure	574	574	-	574	144	25%	
Asset Management	415	555	-	555	157	28%	
Design, Planning & Projects	1,886	2,043	220	2,263	526	23%	6
Operations	854	854	-	854	187	22%	
Building Services	4,095	4,095	39	4,133	936	23%	7
Mosquito Control	135	135	-	135	34	25%	
Parks & Reserves	15,057	15,057	169	15,226	3,693	24%	8
Pathways	900	900	4	904	323	36%	9
Roads Maintenance	8,247	8,247	-63	8,184	1,216	15%	10
Stormwater Drainage	627	627	-	627	91	14%	
Street Cleaning	2,916	2,916	-	2,916	692	24%	
Development	412	412	100	512	101	20%	11
Waste Management	16,947	16,973	10	16,983	4,970	29%	5
Total expense	53,064	53,387	480	53,867	13,070	24%	
Net surplus (-cost)	-30,122	-30,445	-267	-30,712	-1,872	6%	

Infrastructure continued - Notes on recommended variations:

1. Additional income from NTG for Bradshaw Tce feasibility study and investigate safety issues in Nightcliff and Rapid Creek education and childcare precinct.
2. Additional income for park hire, to support additional costs, based on trends.
3. Reduction in Federal Assistance via NTG (roads component).
4. Additional income transferred to Developer Contributions Reserve (this requires subsequent adjustment at 2nd quarter review to reclassify as income for capital purposes).
5. Additional grant funding from NT Environmental Protection Authority.
6. Increases in expenses due to; reclassification of capital expenditure project (\$100K - CBD Road Hierarchy Project Study). Plus additional NTG grant funding (\$120K) as per note 1 above.
7. Increase in expense to reflect transfer of budget for cleaning/ maintenance Community Centre to responsibility of Infrastructure Section.
8. Increase in expenses; based on trend (\$50K - funded by additional hire revenue) plus Tree Establishment Program (\$119K - funded from Unspent Grants Reserve).
9. Additional expenses required for driveways maintenance funded from other activities.
10. Includes decrease on available funds for expenses due to reduction in Federal Assistance via NTG (roads component).
11. Additional expenses to cover Strategic Town Planning Project funded from capital works program.

Costs of Services for the period ended 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	YTD v FAB %	Notes
% of year elapsed						25%	
General							Attachment B-5
Income							
General Revenues (rates, interest, Federal Asstce)	63,481	63,481	-1	63,480	59,586	94%	1
Grants & Contributions for Capital Purposes	3,033	3,583	362	3,945	1,854	47%	2
Total income	66,514	67,065	361	67,425	61,440	91%	
Expense							
Corporate overheads charged to other accounts	-5,579	-5,579	-	-5,579	-1,395	25%	
Depreciation	21,146	21,146	-	21,146	5,286	25%	
Total expense	15,567	15,567	-	15,567	3,892	25%	
Net surplus (-cost)	50,947	51,498	361	51,858	57,548		
Net surplus (-cost) All Services	1,853	1,694	-267	1,427	51,423		

(NB This is the same result as the Income and expenses section of the Municipal Plan Summary Income Statement Section.)

Notes on recommended variations:

1. Minor reduction in Federal Assistance grant (via NTG).
2. Additional grants for capital projects; including NTG for bike plan works (\$282K), R2R (\$94K), NTG for traffic signals upgrade at 8 locations (\$90K) less reduction in Black Spot Program as per report 15TS0065.

ATTACHMENT C

2014-15 Actual \$'000	Statement of Financial Position as at 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	Notes
ASSETS							
Current Assets							
13,232	Cash at Bank & Investments - unrestricted	8,711	10,231	99	10,330	22,268	1
23,354	Cash at Bank & Investments - legally restricted	19,337	25,935	3	25,938	28,459	2
37,599	Cash at Bank & Investments - internally restricted	22,539	21,907	-1,165	20,743	33,319	3
7,110	Receivables	7,324	7,110		7,110	46,891	
116	Inventories	123	116		116	121	
-	Assets held for sale	340	-		-	-	
81,411		58,374	65,299	-1,063	64,236	131,059	
Non-Current Assets							
1,146,998	Infrastructure, Property, Plant and Equipment	1,164,155	1,161,486	796	1,162,282	1,146,203	4
1,146,998		1,164,155	1,161,486	796	1,162,282	1,146,203	
1,228,409	TOTAL ASSETS	1,222,529	1,226,785	-267	1,226,518	1,277,262	
LIABILITIES							
Current Liabilities							
12,514	Trade & Other Payables	7,386	9,514		9,514	9,949	
211	Borrowings	338	338		338	211	
6,506	Provisions & Other Liabilities	6,862	6,506		6,506	6,506	
19,231		14,586	16,358	-	16,358	16,666	
Non-Current Liabilities							
3,513	Borrowings	4,419	3,068		3,068	3,513	
676	Provisions	528	676		676	676	
4,189		4,947	3,744	-	3,744	4,189	
23,420	TOTAL LIABILITIES	19,533	20,102	-	20,102	20,855	
1,204,989	NET ASSETS	1,202,996	1,206,683	-267	1,206,416	1,256,407	
EQUITY							
823,978	Asset Revaluation Reserve	823,978	823,978		823,978	823,978	
381,011	Retained Surplus & Reserves	379,018	382,705	-267	382,438	432,429	5
1,204,989	TOTAL EQUITY	1,202,996	1,206,683	-267	1,206,416	1,256,407	

Notes on recommended variations:

1. The increase in unrestricted cash is the sum/total of all recommended variations as per Attachment A, Municipal Budget Summary.
2. The increase in legally restricted funds is as detailed in Attachment D, Statement of Cash & Investments.
3. The decrease in internally restricted funds is as detailed in Attachment D, Statement of Cash & Investments.
4. The increase in capital expenditure is as detailed in Attachment E, Statement of Capital Expenditure.
5. The increase in retained Surplus & Reserves is the net affect of recommended variations on net income as per Attachment A.

ATTACHMENT D

Statement of Cash & Investments as at 30/09/2015	Full Original Budget \$'000	Full Amended Budget \$'000	Recommended Variations \$'000	Projected Result \$'000	YTD Actual \$'000	Notes
Unrestricted	8,711	10,231		10,330	22,268	
Legally restricted						
CBD Carparking Shortfall - Developer Cont.	9,177	11,903	-	11,903	11,868	
CBD Carparking Shortfall - Rate Levy	10,347	10,458	-	10,458	10,406	
DEC Air Conditioning Replacement	432	396	-	396	396	
Developer Contributions	323	467	91	557	918	1
Highway/Commercial Carparking Shortfall	19	18	-	18	67	
Market Site Development	294	281	-	281	265	
Other Carparking Shortfall	348	363	-	363	361	
Unspent Grants	-	450	-88	362	450	2
Waste Management	1,598	1,599	-	1,599	3,727	
Total legally restricted	22,538	25,935	3	25,938	28,459	
Internally restricted						
Asset Replacement & Refurbishment	3,548	3,808	-271	3,537	8,768	3
Carbon Tax Reserve	6,976	6,938	-	6,938	6,938	
Carry Over	-	-	-	-	-	
Coastal Foreshore Management	-	-	-	-	-	
Darwin General Cemetery	6	12	-	12	33	
DEC Asset Replacement/Refurbishment	133	133	-	133	633	
Disaster Contingency	1,134	1,134	-	1,134	1,228	
Election Expense	207	216	-	216	216	
Environmental	65	69	-	69	90	
IT Strategy	-	757	-	757	757	
Nightcliff Community Hall	13	13	-	13	67	
Off & On Street Carparking	4,267	4,444	-868	3,575	9,594	4
Plant Replacement	2,205	2,547	6	2,553	3,013	5
Public Art	381	381	-	381	381	
Purchase Land	-	-	-	-	-	
Sale of Road Reserve	-	88	-	88	88	
Street Lighting Reserve	222	979	-	979	979	
Watering	179	389	-31	357	536	6
Total internally restricted	19,336	21,907	-1,165	20,743	33,319	
Total Cash & Investments	50,585	58,073	-1,162	57,010	84,047	

Notes on recommended variations:

- 1 Stormwater Developer Contribution .
- 2 Request to utilise \$88K Cyclone Carlos money to fund tree program.
- 3 Request to utilise Asset Replacement and Refurbishment Reserve for Sunset Park Sea Wall.
- 4 Request for On & Off Street Car Parking Reserve to cover Aircon, Fire Service upgrade and recognise parking revenue "downgrade".
- 5 Recognise additional benefits of Fuel Tax Rebate review over and above original budget (includes consultancy fees).
- 6 Request for watering reserve to contribute to tree program.

Statement of Capital Expenditure		Full Original	Full Amended	Recommended	Projected	YTD	YTD v FAB	
for the period ended 30/09/2015		Budget	Budget	Variations	Result	Actual	%	Notes
Master Account		\$'000	\$'000	\$'000	\$'000	\$'000	%	Notes
02 Community & Cultural Services Department								
05/221060 Swimming Pools Capital Projects Expenditure		500	500	-	500	-	0%	
05/221061 Community Projects Capital Expenditure		154	225	-25	200	31	15%	1
05/223060 Recreation Capital Projects		350	440	-10	430	30	7%	2
05/235060 Libraries Capital Expenditure		92	92	-	92	-	0%	
02 Community & Cultural Services Department Total		1,096	1,257	-35	1,222	60	5%	
03 Infrastructure								
05/311060 Infrastructure Capital Projects		1,500	4,751	-480	4,271	362	8%	3
05/322061 Planning & Design Urban Enhancement Capital Exp		-	25	-	25	9	36%	
05/322062 Minor Capital Works Program		140	140	-	140	14	10%	
05/322063 Streetscape Development & Upgrade		537	856	-	856	263	31%	
05/322066 Roads to Recovery Capital Projects Expenditure		1,670	2,221	94	2,315	636	27%	4
05/322067 LATM Capital Projects Expenditure		181	448	25	473	48	10%	5
05/322068 Cyclepath Capital Projects		553	1,041	283	1,323	14	1%	6
05/322069 Black Spot Program		780	780	175	955	-	0%	7
05/322070 Lee Point Road Upgrade		-	-	-	-	1	1000%	
05/331061 Footpaths Capital Projects		828	998	-	998	371	37%	
05/331062 Disability Access Capital Projects (W/O ONLY)		54	90	-	90	3	3%	
05/331064 Driveway Capital Projects		231	231	-	231	31	13%	
05/331065 Road Reseal & Rehabilitation Capital Projects		1,906	2,710	-25	2,685	211	8%	8
05/331066 Streetlighting Capital Projects		113	224	-	224	7	3%	
05/331067 Parks Lighting Capital Projects		157	180	-	180	25	14%	
05/331068 Kerbing Capital Projects		29	41	-	41	7	18%	
05/331069 Traffic Signals Capital Projects		148	271	90	361	0	0%	9
05/332060 Building Maintenance Capital Projects		1,195	2,216	353	2,569	473	18%	10
05/332063 Signage & Memorial Capital Projects		21	21	-	21	-	0%	
05/332065 Nightcliff Foreshore Cafe Capital Expense		-	497	35	532	124	23%	
05/332082 Investment Properties Capital Refurbish (W/O ONLY)		150	280	-	280	-	0%	
05/332083 Toilet Block Capital Projects		-	468	-	468	15	3%	
05/332086 Open Spaces Capital Refurbishment Costs (W/O ONLY)		1,203	1,927	271	2,199	130	6%	11
05/333062 Shoal Bay Upgrade Works		8,000	8,000	-	8,000	904	11%	
05/334060 Stormwater Drainage Capital Projects		417	714	-	714	141	20%	
05/334065 Walkway Capital Projects		160	160	-	160	-	0%	
05/334068 Mosquito Control Capital Projects		125	125	-	125	-	0%	
05/341061 Fencing Capital Projects		146	146	-	146	10	7%	
05/341062 Parks & Reserves Revitalisation Capital Projects		1,059	1,154	-126	1,028	7	1%	12
05/341063 Parks Infrastructure Capital Projects		50	50	136	186	-	0%	12
05/341064 Parks & Reserves General Capital Projects		-	57	-	57	9	16%	
05/341065 Parks Landscaping & Irrigation Capital Projects		404	430	-	430	79	18%	
03 Infrastructure Total		21,756	31,250	831	32,081	3,897	12%	
04 Corporate Services Department								
05/242060 Regulatory Services Capital Projects		80	80	-	80	-	0%	
05/332089 Darwin Entertainment Centre Capital Projects		784	1,094	-	1,094	-	0%	
05/335060 Fleet Management Capital Projects		1,926	2,488	-	2,488	313	13%	
05/431060 IT Capital Projects		294	335	-	335	139	41%	
05/432060 Records Capital Expenditure		-	73	-	73	22	30%	
05/453065 Off Street Parking Capital Projects		110	110	-	110	28	25%	
04 Corporate Services Department Total		3,194	4,181	-	4,181	501	12%	
Total		26,046	36,687	796	37,483	4,458	12%	

Notes on recommended variations:

1. Transfer capital budget for art works to operations (public art reserves site selection).
2. Transfer savings from completed Lyons Hall Playground shades project to Playground Shades budget in Infrastructure.
3. Transfer funds from Infrastructure capital program budget to Black Spot program (COD contribution) \$280K. Secondly transfer funds of \$200K to the Strategic Town Planning Project and Road Construction & Traffic Management.
4. Increase R2R budget (funded by capital grant).
5. Additional budget for Hensbury kerb replacement funded from reseals program.
6. Additional budget to increase and improve bike path facilities funded by NTG.
7. Additional budget for Black Spot Program funded from Infrastructure Capital Program above.
8. Reduction in reseal budget to fund Hensbury kerb replacement (note 5 above).
9. Additional budget for traffic signals upgrade at 8 locations funded by NTG.
10. Additional budgets for Westlane Carpark Fire service (\$73K) and Aircon (\$280K) funded by On & Off Street Car Parking Reserve.
11. Additional budget for Sunset Park Sea Wall funded from the Asset Replacement & Refurbishment Reserve.
12. Transfer to Parks Infrastructure (\$136K - tidy up Master Account), plus additional budget transferred from Lyons Hall Playground shades (\$10K - savings see note 2) .